



## SANDERSON DESIGN GROUP PLC

("Sanderson Design Group", the "Company" or the "Group")

### Financial Results for the year ended 31 January 2026

**Sanderson Design Group PLC** (AIM: SDG), the luxury interior furnishings group, announces its audited financial results for the year ended 31 January 2026.

#### Financial highlights

Year ended 31 January	2026	2025	Change
Revenue	£99.5m	£100.4m	(1.0)%
Adjusted underlying profit before tax*	£5.3m	£4.4m	22.2%
Adjusted underlying EPS*	5.39p	3.92p	37.5%
Statutory (loss)/profit before tax	£3.1m	£(13.9)m	122.6%
Basic EPS	2.98p	(21.22)p	114.0%
Dividends per share	1.5p	1.5p	-
Net Cash**	£9.8m	£5.8m	68.7%

\* Excluding share-based incentives, defined benefit pension charge and non-underlying items as summarised in note 8.

\*\* Net Cash is defined as cash and cash equivalents less borrowings. For the purpose of this definition, borrowings does not include lease liabilities.

- Revenue of £99.5m (FY2025: £100.4m) including robust underlying performance from licensing, an improved performance from manufacturing and growth in North America
- Licensing sales of £10.5m (FY2025: £11.0m) with strong growth in underlying licensing revenue, up 36% at £9.0m (FY2025: £6.6m)
- Third-party manufacturing sales up 5% to £19.0m (FY2025: £18.1m) and manufacturing returned to profitability (excluding exceptional items) in the full year
- Brand revenue stable at £70m (FY2025: £71.3m) with a strong performance from North America in line with strategy
- Total annualised cost savings achieved in the year of £2.5m, including £1.5m in manufacturing and £1.0m in head office costs
- Adjusted underlying profit before tax up 22.2% at £5.3m (FY2025: £4.4m). Reported profit before tax of £3.1m (FY2025: loss of £13.9m)
- Liquidity and headroom of £19.8m (FY2025: £15.8m) with cash position of £9.8m (FY2025: £5.8m) and undrawn banking facilities of £10.0m (FY2025: £10.0m)
- Proposed final dividend of 1.00p per share (FY2025: 1.00p) to give a total dividend for the year of 1.50p (FY2025: 1.50p)

#### Operational highlights

- Increased digital presence and replatformed the Trade Hub; launch of direct-to-consumer websites for all of the Group's brands
- Key product launches including Highgrove by Sanderson in May 2025 and the Morris & Co. x Huntington in September 2025

- The Highgrove by Sanderson collection donates a percentage of sales to The King's Foundation, the global charity preserving the built and natural environment and heritage crafts
- Continued momentum in licensing with the signing of new agreements and renewals, including Ruggable
- Continued growth in North America where brand product sales have grown significantly to over £22m in FY2026
- Manufacturing transformed through reorganisation across both factories, returning to profitability and with a revitalised, more agile team
- Planet Mark certification for Year 8 of carbon reduction, reflecting Live Beautiful sustainability pledge

**Dianne Thompson, Sanderson Design Group's Chairman, said:**

"The Group has achieved strong progress against its strategic initiatives, prioritising digitalisation, North America as the key growth territory, and improving the efficiency of its manufacturing operations. Alongside the focus on inventory reduction, year-end net cash also increased substantially.

"We are proud to export our heritage, via products and designs, to clients in all corners of the globe. Our primary growth efforts are focused on North America, which remains our fastest growing and most profitable territory where the opportunity is considerable.

"The Board continues to monitor the external macro-environment with geopolitical volatility presenting a challenging backdrop for the financial year ahead. Against this, the Group entered FY2027 with good momentum which has been maintained and current trading is in line with full year expectations.

"The Board retains full confidence in the Group's strategy, the strength of its brands, archive and balance sheet, and looks forward to continued progress in FY2027 and beyond."

**Analyst meeting and webcast**

A meeting for analysts and institutional investors will be held at 9.30am today, 29 April 2026, at the offices of Singer Capital Markets, 1 Bartholomew Lane, London EC2N 2AX. For details, please contact Burson Buchanan at [SDG@buchanan.uk.com](mailto:SDG@buchanan.uk.com).

A live webcast of the meeting will be accessible via the following link: <https://stream.buchanan.uk.com/broadcast/69cb82f1110dcd00126122a5>.

A recording of the webcast will be made available following the meeting at the Company's investor website, [www.sandersondesign.group](http://www.sandersondesign.group).

In addition, the Company will present via the Investor Meet Company platform at 14:00 today. <https://www.investormeetcompany.com/sanderson-design-group-plc/register-investor>.

**For further information:**

**Sanderson Design Group PLC**

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**Notes for editors:**

**About Sanderson Design Group**

Sanderson Design Group PLC is a luxury interior furnishings company that designs, manufactures and markets wallpapers, fabrics and paints. In addition, the Company derives licensing income from the use of its designs on a wide range of products such as bed and bath collections, rugs, blinds and tableware.

Sanderson Design Group's brands include Zoffany, Sanderson, Morris & Co., Harlequin, Clarke & Clarke and Scion.

The Company has a strong UK manufacturing base comprising Anstey wallpaper factory in Loughborough and Standfast & Barracks, a fabric printing factory, in Lancaster. Both sites manufacture for the Company and for other wallpaper and fabric brands.

Sanderson Design Group employs approximately 500 people and its products are sold worldwide. It has showrooms in London, New York and Chicago.

Sanderson Design Group trades on the AIM market of the London Stock Exchange under the ticker symbol SDG.

For further information please visit: [www.sandersondesigngroup.com](http://www.sandersondesigngroup.com).

## **CHAIRMAN'S STATEMENT**

### **Introduction**

For the year ended 31 January 2026, I am pleased to report strong progress against the strategic initiatives outlined in my Chairman's Statement last year which prioritised digitalisation across the business, North America as the key growth territory and improving the efficiency of our manufacturing through the Future Factory initiative.

Through focused management actions during the year, we are pleased to have returned the manufacturing operations to profitability (excluding exceptional items). We now have a smaller, more agile and multi-skilled manufacturing workforce focused on a digital-first printing strategy. The third-party order book is much improved, and we enter the new financial year with momentum in our manufacturing operations with US third-party orders having grown significantly.

Initially we had a two year digitalisation project to deliver new transactional websites for all of our brands. This was accelerated into one year and we now have direct-to-consumer ("DTC") websites for our brands. DTC sales, which represent a new sales channel within brand product sales, were up very strongly in the year from £0.4m in FY2025 to £1.8m in FY2026.

The targeted growth market of North America performed well in the year, with underlying brand product sales up 5% in reported currency and up 9% in constant currency. US sales were impacted in the first half of the financial year by uncertainty around the US tariff regime, but they recovered strongly in the second half.

Our North American business has grown strongly in the past few years, to over £22m of revenue in FY2026. We expect to continue this growth trajectory in North America, where our brands are widely recognised as being under indexed in the world's largest market for textiles and wallpapers.

Trading conditions in the UK remained subdued during the financial year although brand product sales at our top 10 UK customers were broadly flat on the prior year, suggesting that the decline in brand product sales of -9% is largely attributable to independent retailers. Our strategy in the UK is to focus on building strong relationships with interior designers, who often serve international markets in addition to high-end domestic and the hospitality sector.

Total licensing revenue in the financial year was robust at £10.5 million (FY2025: £11.0m) with underlying revenue, which excludes the impact of the IFRS 15 accounting standard, up 36% at £9.0 million (FY2025: £6.6m). This strong growth in underlying performance, which contributes to the Group's cash generation, reflects the receipt of minimum guaranteed amounts from licensing agreements signed in previous years and revenue above those minimum guarantees.

The ability to license our designs highlights the unique intellectual property in the Group's brands and design archive, and also our designers' skill at transferring designs from fabric and wallpaper to many different substrates and product types.

During the year, we have continued to advance our Live Beautiful sustainability strategy. In the year to 31 January 2026, our total carbon footprint was 4,894 tonnes, a decrease on FY2025's 5,404 tonnes reflecting continued progress in our journey to net zero.

Further details on the Group's strategic and operational progress are included in the Chief Executive Officer's Strategy and Operating Review.

### **Financial results**

Group turnover for the year ended 31 January 2026 was £99.5m (FY2025: £100.4m) and Adjusted underlying profit before tax at £5.3m was up 22% on the prior year (FY2025: £4.4m). This strong growth in profitability reflects the Board's continued focus on strategic cost-saving initiatives.

The reported profit before tax was £3.1m (FY2025: loss of £13.9m).

The Group's balance sheet strengthened further at the year end with net cash of £9.8m compared with £5.8m at 31 January 2025 and £7.8m at 31 July 2025. The strong year end cash position reflects planned inventory reductions, working capital management and controlled capital expenditure.

## **Dividend and capital allocation**

The Directors recommend a final dividend of 1.00p (FY2025: 1.00p) taking the full year dividend to 1.50p (FY2025: 1.50p). Payment of the final dividend, if approved at the Company's forthcoming Annual General Meeting, will be made on 7 August 2026 to shareholders on the Company's register at 10 July 2026, with an ex-dividend date of 9 July 2026. As part of our review of capital allocation, given that the book value per share is significantly higher than the current market price, the Board has determined at this time to maintain the dividend, and fund the purchase of shares by our EBT to satisfy the future vesting of share schemes.

## **People**

On behalf of the Board, I would like to thank all our colleagues for their commitment, energy and creativity during another year of challenges and opportunities for the business.

## **Outlook**

The Board continues to monitor the external macro-environment with geopolitical volatility presenting a challenging backdrop for the financial year ahead. Against this, the Group entered FY2027 with good momentum which has been maintained and current trading is in line with full year expectations.

Group revenue in the new financial year to date is showing year-on-year growth, with similar trends to that seen in the second half of FY2026; and the strategic progress achieved in recent years means the Group is better positioned to withstand external events, aided by a lower cost base that will continue to provide annualised benefits in FY2027.

Furthermore, our investment in digital platforms is broadening the customer base by attracting digitally astute audiences, representing an important structural development and one which we expect to contribute increasingly to the Group's performance in the years ahead.

Our manufacturing operations have been transformed in line with our digital-first printing strategy, and the pipeline for third-party orders is strong.

Recent product launches such as Highgrove by Sanderson and Morris & Co. x The Huntington Collection continue to resonate strongly with trade and consumer audiences alike, and we are excited about the impending global launch of the Zoffany x Michael S Smith Indoor Outdoor Fabrics collection which has been received well in our pre-launch marketing. These collections powerfully demonstrate the Group's unrivalled design heritage and creative ability to develop compelling new product narratives that attract high profile partners and excite both existing customers and new audiences.

We are proud to export our heritage, via products and designs, to clients in all corners of the globe. Our primary growth efforts are focused on North America, which remains our fastest growing and most profitable territory where the opportunity is considerable. We are monitoring trade flows in the Middle East region (less than 1% of Group revenue in FY2026), but do not expect any material impact, should conditions persist, given its small contribution.

The underlying performance within licensing in FY2027 to date continues to be encouraging reflecting the quality and breadth of the Group's licensing partner base and the continued appeal of our brands and design archive as a platform for new and renewed agreements.

The Board retains full confidence in the Group's strategy, the strength of its brands, archive and balance sheet. The Board is confident in the management team's agility and its ability to respond effectively to external factors. The Board looks forward to continued progress in FY2027 and beyond.

## **Dianne Thompson**

Non-executive Chairman

28 April 2026

# CHIEF EXECUTIVE OFFICER'S STRATEGY AND OPERATING REVIEW

## INTRODUCTION

The results for the year ended 31 January 2026 reflect focused management actions which have resulted in a substantial increase in profitability on slightly reduced turnover owing to further targeted initiatives, and a strong improvement in net cash to £9.8m at year end. During the year, we completed a cost-saving programme across the business yielding total annualised savings of approximately £2.5m, comprising a reduction in central overheads of approximately £1.0m, and a reduction in manufacturing costs of £1.5m.

During the past three years, we have reduced the Group's annualised costs by approximately £4.8m, mainly through headcount reduction, creating a much more efficient business. Moving forwards, we will continue to exercise careful cost control and remain alert to any further potential cost savings.

At the same time, we have advanced our growth strategy by focusing on the three core areas highlighted in last year's full year results statement: Future Factory to transform the efficiency of our manufacturing operations and leverage the benefit of verticality; digitalisation across the business; North America as a key growth opportunity. We made strong progress in all these areas, including the return of our manufacturing operations to profitability.

### Future Factory

The factory restructuring mentioned above has reduced costs and increased efficiency. The result is a re-energised, cross-skilled and flexible workforce able to respond to market demand, motivated to take opportunities, balancing craft and skill with the efficiency benefits of digital technology.

Digital now accounts for 63% of our printing output (FY2025: 54%) and we expect the percentage to increase further as wallpaper printing technology continues to advance.

Third party manufacturing order books improved during the year, with a better mix of new collections and repeat orders compared with the prior year. US tariffs disrupted global trade in the first half of our financial year but, whilst the tariff regime continues to be unpredictable, our current US manufacturing order book is up substantially on the same time last year.

The combination of cost-saving initiatives and improved third-party orders resulted in our factories returning to profitability (excluding exceptional items) in the full year, a significant milestone for our manufacturing operations team and in line with our plan.

There was no significant capital expenditure in manufacturing during the financial year but we will continue to invest in manufacturing in line with demand and to maintain competitive advantage.

One trend that we are beginning to see from third-party customers is an emerging demand for matching wallpaper and fabric, which we are particularly well placed to deliver because the design software and hardware at our two factories are the same, enabling us to print the same design highly efficiently on both media. We believe that we are the only business in our sector to have this capability.

### Digitalisation

Improving our digital presence has been a key priority. During the past year, we have replatformed our Trade Hub, which includes all of the Group's brands and gives much better visual tools, product sampling and order management for our trade customers, with excellent feedback from users.

We also now have direct-to-consumer ("DTC") sites for all our brands. Following a DTC pilot in 2021 with our predominantly licensing brand Scion, we launched a DTC site for Morris & Co. in September 2024 in the UK and March 2025 in the US. Since September 2025, DTC sites have been launched simultaneously in the UK and USA for Sanderson, Harlequin, Clarke & Clarke and, most recently, Zoffany.

DTC sales in the year ended 31 January 2026, which owing to the timing of the DTC site launches are primarily from Morris & Co., were £1.8 million, up from £0.4 million in the prior year, with most growth coming from the US and from new, digital native customers.

Whilst we welcome DTC sales, the Group is not repositioning itself as an online retailer. The real strength of the digital presence is to ensure that our products and marketing collateral are widely

available so that consumers, customers and designers can engage with our brands 24/7 anywhere in the world and to drive that engagement into our network of distributors, agents and showrooms or as a direct purchase.

In January 2026, we appointed Charlotte O'Sullivan as Group Digital & Innovation Director to further develop the Company's DTC business and lead the broader digitalisation of the Company. Charlotte's role includes boosting how we engage with our audiences globally from a commercial and marketing perspective, amplifying our brand and product stories consistently across all our channels, be it trade, consumer or social, and embedding the Group's online collateral in the design community as a trusted resource, developing ambitious future strategic opportunities.

## **North America**

Brand sales in North America at the beginning of the financial year started strongly with double-digit growth but the run-up to and introduction of the tariff regime quickly followed, which impacted first half sales. North America sales recovered and returned to strong growth in the second half.

To mitigate the impact of tariffs, we introduced surcharges on US invoices. To provide a better insight into sales growth, we are providing an underlying sales growth figure, which excludes the surcharges. On an underlying basis, sales growth in constant currency was up 4% in the first half and up 12% in the second half compared with the corresponding periods in the prior year.

For the financial year, brand product sales in North America including surcharges were up 6% in reported currency and up 10% in constant currency.

As highlighted in the Chairman's Statement, our North American business has grown strongly in the past few years, to over £22m of revenue in FY2026. Licensing is also an important growth driver in the US, where we have attracted high quality licensing partners, such as Ruggable and Williams Sonoma, and formed the important collaboration with the Huntington Library, Art Museum, and Botanical Gardens ("Huntington").

North America is now our most profitable territory, and it continues to be our key growth market as our brands remain under-indexed compared with our peer group.

Scott Christopher Hans joined the Group in November 2024 as Senior Vice President of Sales to lead business development in North America. Following his success in the role, he was appointed President of the North American business in February 2026 to further drive sales growth.

## **STRATEGY AND PROGRESS**

Our core strategy for the Group, which is set out below, is underpinned and guided by our Live Beautiful sustainability strategy.

*Driving the brands:* The Group has a strong and broad portfolio of powerful brands, each with clear market positioning. Our intention is to focus precisely on the individuality of each brand, giving each its own market, channel, product, and communications strategy; thereby strengthening their appeal to drive demand in their respective marketplaces.

*Focusing on core products:* The Group has two manufacturing arms that benefit the brands' business. Our strategy is to focus on our core products of wallpaper and fabric, and to continue to build our finished goods offer with our expert partners through licensing.

*Partnering with key customers:* The strategic focus on the individuality of each brand, and our tailored service, cements relationships with key customers, while enhanced communication through partnership drives demand for both heritage and contemporary brands from consumers, through our interior design partners, retail channels and hospitality partners. We continue to deepen our relationships with existing licensing partners and seek new opportunities, strategically targeted by brand, category and market.

*Investing in people:* People, and creativity, are at the heart of our business. In our industry, Sanderson Design Group is a favoured destination for emerging new designers. We create designs and products that combine the best of digital with the authenticity of craft.

*Growing key geographies:* Our brands have significant international market potential, reflected in them being sold worldwide. To maximise return, we are focused on building market share in key geographies.

North America is our first priority, where our brands are under-represented, although highly appreciated by top designers. Opportunities are strong in Europe and the Rest of the World, while we support our UK base. Our approach is tailored to each individual region.

## Operational review

The table below shows the Group's sales performance in FY2026, compared with FY2025. The table shows our three key revenue streams of brand product sales, licensing income and manufacturing. It also gives the four territories of our brand product sales: the UK, Northern Europe, North America and Rest of the World.

	Year to 31 January (£m)		% Change FY2026 v FY2025	
	2026	2025	Reported	Constant Currency
<b>Brands</b>				
UK	29.9	32.8	(9)%	(9)%
North America	22.3	21.0	6%	10%
<i>North America (underlying)*</i>			5%	9%
Northern Europe	9.4	9.1	3%	1%
Rest of the World	8.4	8.4	0%	0%
Total Brand product revenue	70.0	71.3	(2)%	(1)%
<b>Manufacturing</b>				
External	19.0	18.1	5%	5%
Internal (eliminated on consolidation)	10.7	13.6	(21)%	(21)%
<b>Total Manufacturing revenue</b>	29.7	31.7	(6)%	(6)%
<b>Total Licensing revenue</b>	10.5	11.0	(5)%	(5)%
<b>TOTAL GROUP REVENUE</b>	99.5	100.4	(1)%	0%

\* North America (underlying) excludes surcharges added to US sales to mitigate additional costs resulting from the introduction of tariffs

## BRANDS

The Brands segment comprises heritage brands Morris & Co., Sanderson, and Zoffany and contemporary brands Clarke & Clarke, Harlequin, and Scion. The table below shows the brand product sales of each brand.

Brands	Year ended 31 January (£m)		2026 versus 2025	
	2026	2025	Reported	Constant currency
Morris & Co.	18.5	18.0	3.0%	3.4%
Sanderson	13.7	13.5	1.4%	2.1%
Zoffany	6.7	6.7	(0.7)%	0.2%
Clarke & Clarke	18.3	19.7	(7.4)%	(7.1)%
Harlequin	12.1	12.2	(1.2)%	(0.3)%
Scion	0.7	1.1	(33.7)%	(33.6)%
Other	0.0	0.1	(24)%	(24)%
<b>Total</b>	70.0	71.3	(3.5)%	(2.9)%

The Sanderson brand, which has been a strategic focus for the Group in the past three years, had a positive year driven by the launch in April 2025 of the Highgrove by Sanderson collection, which celebrates the series of gardens at Highgrove House and donates a percentage of sales to The King's Foundation, the global charity preserving the built and natural environment and heritage crafts.

The Sanderson brand's sales in constant currency were up 12% in North America and, whilst down 7% in the UK, were up 4% in Northern Europe and up 3% in the Rest of the World.

The Morris & Co. brand continues to be our only brand where sales in North America exceed those in the UK. In constant currency, North American sales during the year were up 14% and up 9% in Northern Europe, driven by Scandinavia, whilst UK sales were down 11% and the Rest of the World down 6%.

The new body of work developed in collaboration with the Huntington in California, launched in September 2025 to critical acclaim. The collection comprises 26 original but unfinished Morris & Co. designs, which have rarely been seen and never before produced into completed designs. The collaboration with the Huntington is a major new multi-year opportunity for the Morris & Co. brand, bringing a completely new body of work to Arts & Crafts enthusiasts.

North American sales of the Harlequin brand were up 6% in constant currency, reflecting continued traction from the Harlequin collaboration with Henry Holland, the products from which launched in September 2024. Whilst Harlequin sales in constant currency were up 9% in Northern Europe and up 2% in the Rest of the World, they were down 9% in the UK.

The Zoffany brand's recent launches, the Indienne Collection and the Rare Textiles Collection, have helped drive sales of the brand which were up 9% in North America in constant currency. The brand's sales, which are focused on high end projects and hospitality, are now almost as much in North America as they are in the UK, where sales were down 7%.

Clarke & Clarke is predominantly a UK brand and its sales were down 11% during the year. In North America, where it is distributed by Kravet, its sales were down 1% in constant currency but we remain confident in the potential of the brand, including in contract applications.

## MANUFACTURING

Our two factories, Standfast & Barracks textiles and Anstey Wallpaper Company, print for our own brands and for third party customers, positioning the factories at the centre of our industry. Our third-party sales, in the UK, Europe and the USA, reflect our premium print technologies and world-class excellence in design, manufacturing, customer service and innovation.

As discussed above, cost savings of £1.5m were realised during the year, helping the manufacturing operations to return to profitability (excluding exceptional items) at the full year.

The table below details the Group's internal and external manufacturing sales for the year ended 31 January 2026.

	Year ended 31 January (£m)		2026 versus 2025
	2026	2025	Reported
Sales to Group brands	10.7	13.6	(21)%
Third-party sales	19.0	18.1	5%
<b>Total Manufacturing sales</b>	<b>29.7</b>	<b>31.7</b>	<b>(6)%</b>

A planned inventory reduction at the Group led to a fall in internal sales. Third-party sales performed strongly in the second half of the year and third-party order books are benefitting from continued momentum at the start of the new financial year.

Total sales at Standfast & Barracks in the year were £16.4m (FY2025: £16.9m), with total sales at Anstey of £13.3m (FY2025: £14.8m). Overall, digital printing as a proportion of both factories output was 63% (FY2025: 54%).

## LICENSING

Licensing is the most profitable part of the Group and a key area of strategic focus. Our licensing activities leverage our designs and design archives and bring wider consumer awareness of our brands across multiple categories of finished goods. Licensing brings additional visibility for our brands and the potential to stimulate sales of our core products of fabric, wallpaper and paint.

The Group works closely with licensing partners throughout the product development process, leveraging strong creative skills in scaling and colouring designs so they can be transferred successfully to a multitude of different licensed products.

Licensing had a robust year, with revenues of £10.5m (FY2025: £11.0m). Underlying revenue, which excludes the impact of the IFRS 15 accounting standard, was up 36% at £9.0 million (FY2025: £6.6m). This strong growth, which contributes to the Group's cash generation, reflects the receipt of minimum guaranteed amounts from licensing agreements signed in previous years and revenue above those minimum guarantees.

Accelerated income under IFRS 15 was £6.1 million in the year (FY2025: £7.3m). Accelerated income, recognition of which is a requirement of IFRS 15, represents the total minimum guaranteed sales associated with newly signed contracts with a discount rate applied to them to reflect the timing of the future cash flows arising from the agreements.

Licence renewals and extensions signed during the year with significant accelerated income include Ruggable, which has broadened its product range and included the Morris & Co. Huntington designs, and Sangetsu, which has extended the Morris Chronicles agreement for a further five-year period.

The Company is continuing to progress a pipeline of further licensing opportunities, leveraging its brands and design archives.

## SUMMARY

We retain a high degree of confidence in our brands, products, people and strategy, and concluded the year with good trading momentum. Proactive management actions delivered meaningful improvements: the cost base has materially reduced over the last three years which, alongside strategic progress, provides us with the agility and ability to better adapt to market conditions as they evolve.

During the year, we advanced our strategic priorities at pace. Our manufacturing facilities have been efficiently transformed with a more flexible and cross-skilled workforce better suited to executing our digital-first printing strategy, balanced with the highly skilled traditional techniques. That our manufacturing operations have returned to profitability is a particularly pleasing milestone. We are proud of the critical acclaim that greeted the September launch of The Huntington's collaboration with Morris & Co. and of digitalisation initiatives, such as the successful launch of direct-to-consumer sites across all our brands. We have proud British heritage and legacy that is recognised and highly desirable and around the world, including the North American market which grew strongly in the year and where the opportunity is significant. North America has become our most profitable territory and remains our priority growth area.

Underpinning these achievements is our enduring commitment to design, creativity and collaboration in bringing outstanding products and designs to market. There is much to be done next year and beyond, and we look forward to delivering further progress that drives profitable growth.

**Lisa Montague**

Chief Executive Officer

28 April 2026

## CHIEF FINANCIAL OFFICER'S REVIEW

Both the Chairman's statement and the Chief Executive Officer's Strategic and Operating Review provide analysis of the key factors contributing to our financial results for the year ended 31 January 2026.

### Revenue

Reported revenue for the year was £99.5m, down 0.9% compared with the £100.4m recorded in FY2025.

	<b>FY2026 (£m)</b>	FY2025 (£m)
Brands	<b>70.0</b>	71.3
Licensing	<b>10.5</b>	11.0
Manufacturing - external	<b>19.0</b>	18.1
Total revenue	<b>99.5</b>	100.4

Within our Brand Product segment, the strategic focus on North America continued to deliver growth, with brand product sales up 9% in constant currency (excluding the impact of tariff surcharges) with progress being driven by contract orders and the launch of our direct-to-consumer websites. The heritage brands, Morris & Co. and Sanderson, continue to perform well in this market and Zoffany had a strong second half as a result of several orders from contract customers.

However, the UK market, which still represents over 40% of total brand product revenue, continues to be challenging, with sales in our home territory 9% down year-on-year. Unlike all other regions, the underlying performance of the UK market did not improve in the second half of the year.

Our Morris & Co. direct-to-consumer site launched in the UK in September 2024 and the USA in March 2025 and has performed ahead of expectations. Direct-to-consumer sites for the Sanderson, Harlequin, Clarke & Clarke, and Zoffany brands were launched in the second half and should help drive revenue (and gross margin) growth in FY2027.

External manufacturing revenue of £19.0m was up £0.9m (5%) compared with last year with all of the growth coming in the second half. Internal manufacturing revenue at £10.7m was down from £13.6m in FY2025 in line with our planned inventory reduction strategy. Our factories' financial performance has been transformed by the restructuring initiatives implemented throughout the period. Adjusted underlying PBT for the manufacturing segment was £0.1m for FY2026, a significant improvement on the £2.6m adjusted underlying loss in FY2025.

Licensing revenue was down 5% at £10.5m million (FY2025: £11.0m). Accelerated income of £6.1 million was, as expected, lower than the £7.3m reported in FY2025. The prior year included the renewal of some of our major global licenses including Blinds2Go and Brink & Campman rugs and fewer major agreements were due for re-signing this year. Notable agreements that were agreed in FY2026 included Tile Shop in the USA with Morris & Co., an extension for the Sanderson brand with Portmeirion's Royal Worcester tableware and a renewal of our partnership with Sangetsu in Japan.

Encouragingly, underlying revenue, which excludes the impact of the IFRS 15 accounting standard and reflects the true performance of how our partners' products are appealing to consumers, grew by 36% to £9.0m (FY2025: £6.6m) and contributed significantly to the Group's cash position.

## Gross profit

Gross profit for the year was £68.7m compared with £68.4m in FY2025 with lower Brand and Licensing sales being offset by significant improvements in external manufacturing revenues and factory gross margin.

FY2026	Brands (£m)	Licensing (£m)	Manufacturing (£m)	Eliminations (£m)	Total (£m)
Revenue – external	70.0	10.5	19.0		99.5
Revenue – internal	-	-	10.7	(10.7)	-
Total revenue	70.0	10.5	29.7	(10.7)	99.5
Cost of sales	(22.5)	-	(19.4)	11.1	(30.8)
Gross profit	47.5	10.5	10.3	0.4	68.7
Gross profit %	67.8%	100.0%	34.6%	-	69.1%

FY2025	Brands (£m)	Licensing (£m)	Manufacturing (£m)	Eliminations (£m)	Total (£m)
Revenue – external	71.3	11.0	18.1	-	100.4
Revenue – internal	-	-	13.6	(13.6)	-
Total revenue	71.3	11.0	31.7	(13.6)	100.4
Cost of sales	(22.9)	-	(22.9)	13.8	(32.0)
Gross profit	48.4	11.0	8.8	0.2	68.4
Gross profit %	67.8%	100.0%	27.8%	-	68.2%

Our overall gross profit percentage grew by 90 basis points to 69.1% (FY2025: 68.2%).

The benefits of the restructuring exercises undertaken in our two factories can be seen with the gross profit percentage in this segment increasing by 680 basis points despite a reduction of £2.9m of internal sales versus FY2025 as we focused on reducing inventory levels across the group.

The Brands segment recorded a gross profit percentage of 67.8% which was in line with the prior year. The segment benefited from the sales mix shifting towards the higher margin market of North America and the higher margin channel of direct to consumer. However this was offset by an increase in the mix of lower margin contract sales and a higher level of discounting for clearance products due to the level of fabric inventories across the sector as a whole.

## Profit before tax

Profit before tax for the year was £3.1m, a significant improvement versus the prior year which was impacted by a £16.3m charge related to the impairment of intangible assets.

	<b>FY 2026 (£m)</b>	FY 2025 (£m)
<b>Revenue</b>	<b>99.5</b>	100.4
Cost of sales	<b>(30.8)</b>	(32.0)
<b>Gross profit</b>	<b>68.7</b>	<b>68.4</b>
Distribution and selling expenses	<b>(24.3)</b>	(25.7)
Administration expenses	<b>(44.8)</b>	(44.8)
Impairment of intangible assets	-	(16.3)
Other operating income	3.0	4.0
Net finance income	<b>0.5</b>	0.5
<b>Profit/(loss) before tax</b>	<b>3.1</b>	(13.9)

Other operating income of £3.0m (FY2025: £4.0m) comprises consideration received from the sale of marketing materials (mainly pattern books) to support the Group's core products. The cost of these marketing materials is included in Distribution and selling expenses. Our approach to issuing these pattern books has changed compared to the prior year. Under the old "book scheme" members paid a monthly fee to receive a pattern book for all new collections. Under the new loyalty scheme, members pay for each pattern book on an individual basis. This change has seen a reduction in both Other operating income and, Distribution and selling expenses, and a net saving to the Group of £0.5m compared to FY2025.

Aside from the impact of pattern books, Distribution and selling expenses have remained largely flat versus FY2025 with savings from the renegotiation of our haulage and carriage contracts countered by the impact of additional tariff costs in the USA. These tariff costs were offset by applying surcharges to invoices which are reflected as revenue in these accounts. As of 1 February 2026, these surcharges have been incorporated into our standard price list for the USA.

Administration expenses were in line with FY2025 with inflationary increases being offset by savings from restructuring exercises undertaken across all areas of the business.

## Adjusted underlying profit before tax

Adjusted underlying profit before tax was £5.3m, up from £4.4m in FY2025.

In calculating the adjusted underlying profit before tax, the Group excludes material non-recurring items or items considered to be non-operational in nature and that do not relate to the operating activities of the Group.

Adjusted measures are used as a way for the Board to monitor the performance of the Group and are not considered to be superior to, or a substitute for, statutory definitions. They are provided to add further depth and understanding to the users of the financial information and to allow for improved assessment of performance. The Group considers adjusted underlying profit before tax to be an important measure of Group performance and is consistent with how the business is reported to and assessed by the Board and is used within the Group's incentive plans.

	<b>FY 2026 (£m)</b>	FY 2025 (£m)
<b>Statutory profit before tax</b>	<b>3.1</b>	(13.9)
Impairment and amortisation of acquired intangible assets	<b>0.3</b>	16.5
Historical property tax obligations	<b>0.5</b>	-
Restructuring and reorganisation costs	<b>0.7</b>	1.0
Share-based payment charge	<b>0.2</b>	0.3
Defined benefit pension charge	<b>0.5</b>	0.5
<b>Adjusted underlying profit before tax</b>	<b>5.3</b>	4.4

Items excluded for the purposes of calculating the adjusted underlying profit before tax comprise:

- The amortisation of intangible assets in respect of the acquisition of Clarke & Clarke was £0.3m (FY2025: £0.2m). FY2025 also included an impairment charge of £16.3m relating to the goodwill recognised on the acquisition of Clarke & Clarke in October 2016
- An exceptional charge in FY2026 of £0.5 million in relation to the settlement of an historical property tax obligation in New York City. This amount reflects the agreed settlement of legacy liabilities relating to prior periods. The charge has been presented as an exceptional item due to its non-recurring nature and its association with an historical matter
- Restructuring and reorganisation costs of £0.7m (FY2025: £1.0m) arising from headcount reductions in head office functions and both manufacturing locations
- Share based payment charges of £0.2m (FY2025: £0.3m) are excluded as they are a non-cash measure
- Administration costs of £0.5m (FY2025: £0.5m) related to the Group's two legacy defined benefit pension schemes

### **Taxation**

The tax charge for FY2026 was £1.0m. The estimated effective tax rate (before adjusting items) for the year was 31.4% as a result of permanent differences such as ineligible depreciation and share-based payment charges.

### **Capital expenditure**

Capital expenditure in the period totalled £0.7m (FY2025: £4.1m) with no major capital projects occurring during the year.

Prior year expenditure included investment in a new digital pigment printer at Standfast & Barracks and the fitting out of the Group's new head office and archive at Voysey House in West London.

Our forward expenditure programme will be focussed on increasing our digital printing capacity and on capital maintenance. This will be closely aligned to our Live Beautiful strategy with projects only being approved if they can be proven to support us on our journey towards a low-carbon and resource smart future.

### **Minimum guaranteed licensing receivables**

In accordance with IFRS 15, the Group recognises the fair value of fixed minimum guaranteed income that arises under multi-year licensing agreements, in full upon signature of the agreement, provided there are no further performance conditions for the Group to fulfil. A corresponding receivable balance is generated which then reduces as payments are received from the licence partner in accordance with the performance obligations laid down in the agreement (usually the passing of time). Licensing revenues above the fixed minimum guaranteed amount are recognised in the period in which they are generated. Because of the way minimum guaranteed revenue is recognised, the revenue profile can be uneven depending on when contracts are signed and the guaranteed minimum royalty arrangements contained within them.

During FY2026, the group recognised £6.1m of accelerated licensing income. Despite cash inflows from agreements signed in previous periods, minimum guaranteed licensing receivables on the balance

sheet grew with the amount due after more than one year at £12.6m (FY2025: £11.3m) and those due within one year at £4.4m (FY2025: £3.0m).

### **Inventories**

Last year we communicated that reducing inventory levels would be a key area of focus in FY2026. Net inventory ended FY2026 at £21.5m, down £5.7m on the prior year. Reductions were achieved across all parts of the business with raw materials in the manufacturing segment and finished goods in the brands segment seeing reductions of 30% and 20%, respectively. We believe there is still scope for further, but more limited, reductions in the future.

### **Trade and other receivables**

Net trade and other receivables increased to £13.1m from £12.9m on 31 January 2025.

Our business model means that most customers for our Brand Product segment do not hold inventory. We are able to quickly react to any aged accounts to mitigate potential credit risks. As a result, despite the current economic environment, we continue to experience limited bad debts. The aging profile of trade debtors shows that most customers are close to terms although the wider economy presents an enhanced level of credit risk.

At a Group level, in addition to specific provisions against individual receivables, a provision has been made of £0.2m (FY2025: £0.2m) which is a collective assessment of the risk against non-specific receivables calculated in accordance with IFRS9.

### **Cash position and banking facilities**

Net cash increased to £9.8m (FY2025: £5.8m). Net cash generated from operating activities was an inflow of £8.4m (FY2025: outflow £2.1m).

The principal drivers for the year-on-year improvement in cash were the above-mentioned reduction in inventory levels and the limited level of capital expenditure.

All foreign currencies are bought and sold centrally on behalf of the Group. Regular reviews take place of our foreign currency cash flows. The Group undertakes hedging only where there are highly probable future cash flows and to hedge working capital exposures. The performance of the Group's North American business creates a requirement to put in place a limited level of hedging contracts against the US dollar surplus that is expected to arise.

The Group's banking facilities are provided by Barclays Bank plc. The Group has an undrawn £10.0m multi-currency revolving credit facility which was last renewed in February 2024. The agreement also includes a £7.5m uncommitted accordion facility to further increase available credit. This provides substantial headroom for future growth. Our covenants under this facility are EBITDA and interest cover measures which have both been met throughout the year.

### **Net defined benefit pension**

The Group operates two defined benefit schemes in the UK. These comprise the Walker Greenbank Pension Plan and the Abaris Holdings Limited Pension Scheme. These were both closed to new members and to future service accrual from 30 June 2002 and 1 July 2005, respectively.

Up until March 2025 contributions to the Walker Greenbank Pension Plan were made on deficit contribution schedules previously agreed with the schemes' trustees and include payments towards the ongoing expenses incurred in the running of the scheme. From April 2025, following the finalisation of the scheme's triennial actuarial valuation, the group ceased making deficit contributions but continues to make payments towards scheme expenses.

In FY2025, the Group made a one-off contribution of £2.3m to the Abaris Holdings Pension Scheme to support a Trustee decision to transfer all of the scheme's risks to an insurer under a buy-in insurance policy investment. In addition to the agreed cash amount, the insurer has also received the Abaris Scheme's existing investments. Scheme administration and advisory costs will continue to be paid by the Group over the life of the pension scheme, but the core financial and demographic risks associated with funding member benefits has transferred to the insurer. The ongoing costs will not impact the

Group's adjusted profit before tax. The agreement means that the Group will no longer be required to fund shortfalls to the Abaris Scheme, which might arise from changes in market conditions.

The methodology and assumptions prescribed for the purposes of IAS 19 mean that the Balance Sheet surplus or deficit, the Profit or Loss figures and the Statement of Comprehensive Income figures are inherently volatile and vary according to investment market conditions at each accounting date. The Group has reported a net surplus of £3.3m on 31 January 2026 compared with a surplus of £2.3m on 31 January 2025.

### **Dividend**

During the fiscal year, an interim dividend for 0.50p per share was paid on 28 November 2025.

A full dividend of 1.00p is now proposed taking the full year dividend to 1.50p. This payment will be made on 7 August 2026 to shareholders on the Company's register on 10 July 2026 if approved at the Company's forthcoming Annual General Meeting with an ex-dividend date of 9 July 2026.

### **Capital allocation policy**

We remain committed to maintaining a strong balance sheet.

Our forward capital expenditure programme is closely aligned to our Live Beautiful strategy towards a low carbon and resource smart future with capital maintenance projects only approved if they can be proven to help us on our journey.

We continue to support the defined benefit Walker Greenbank Pension Plan and will look at whether there is appropriate action which could be taken to help reduce the risks of this Plan within our wider business objectives.

Whilst the book value per share is significantly higher than the market price, the Board has determined at this time to maintain the dividend, and fund the purchase of shares by our EBT to satisfy the future vesting of share schemes.

### **Going concern**

The Directors reviewed a Management Base Case model and considered the uncertain political and economic environment in which we are operating. In our assessment of going concern the Directors consider that, having reviewed forecasts prepared by the management team which have been stress tested, the Group has adequate resources to continue trading for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the interim financial statements. Further details of the review are disclosed in note 1 to the financial statements.

**Mike Woodcock**  
Chief Financial Officer  
28 April 2026

## CONSOLIDATED INCOME STATEMENT

Year ended 31 January 2026

	Note	2026 £000	2025 £000
Revenue	3	99,481	100,388
Cost of sales		(30,766)	(31,946)
<b>Gross profit</b>		<b>68,715</b>	68,442
Net operating income/(expenses):			
Distribution and selling expenses		(24,368)	(25,695)
Administration expenses		(44,812)	(44,858)
Impairment of intangible assets		–	(16,250)
Other operating income	4	2,994	4,010
<b>Profit/(loss) from operations</b>	3	<b>2,529</b>	(14,351)
Finance income		1,426	1,057
Finance costs		(825)	(586)
Net finance income	5	601	471
<b>Profit/(loss) before tax</b>		<b>3,130</b>	(13,880)
Tax expense	6	(982)	(1,356)
<b>Profit/(loss) for the year attributable to owners of the parent</b>		<b>2,148</b>	(15,236)
<b>Earnings/(loss) per share – Basic</b>	8	<b>2.98p</b>	(21.22)p
<b>Earnings/(loss) per share – Diluted</b>	8	<b>2.87p</b>	(21.22)p
<b>Adjusted earnings per share – Basic*</b>	8	<b>5.39p</b>	3.92p
<b>Adjusted earnings per share – Diluted*</b>	8	<b>5.19p</b>	3.83p

\* These are alternative performance measures.  
All of the activities of the Group are continuing operations.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 January 2026

	Note	2026 £000	2025 £000
<b>Profit/(loss) for the year</b>		<b>2,148</b>	(15,236)
<b>Other comprehensive income/(expense):</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Deferred tax charge relating to pension scheme liabilities	7	<b>(238)</b>	(801)
Corporation tax credit relating to pension scheme contributions	6	<b>125</b>	970
Remeasurements of defined benefit pension schemes		<b>454</b>	(367)
Investment-related defined benefit pension costs		<b>(1)</b>	(305)
Cash flow hedge		<b>72</b>	(45)
<b>Total items that will not be reclassified to profit or loss</b>		<b>412</b>	(548)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Currency translation differences		<b>(522)</b>	58
<b>Other comprehensive expense for the year, net of tax</b>		<b>(110)</b>	(490)
<b>Total comprehensive income/(loss) for the year attributable to the owners of the parent</b>		<b>2,038</b>	(15,726)

## CONSOLIDATED BALANCE SHEET

As at 31 January 2026

	Note	31 January 2026 £000	31 January 2025 £000
<b>Non-current assets</b>			
Intangible assets	9	10,387	10,901
Property, plant and equipment	10	10,881	12,938
Right-of-use assets	11	9,719	10,588
Retirement benefit surplus		3,260	2,310
Minimum guaranteed licensing receivables		12,553	11,299
		46,800	48,036
<b>Current assets</b>			
Inventories	12	21,465	27,201
Trade and other receivables	13	13,133	12,900
Minimum guaranteed licensing receivables		4,442	2,999
Financial derivative instruments		53	–
Corporation tax receivable		1,086	251
Cash and cash equivalents		9,808	5,814
		49,987	49,165
<b>Total assets</b>		96,787	97,201
<b>Current liabilities</b>			
Trade and other payables	14	(11,038)	(12,837)
Corporation tax payable		(131)	–
Lease liabilities	11	(2,977)	(1,988)
Financial derivative instruments		–	(19)
Provision for liabilities and charges	15	(122)	(733)
		(14,268)	(15,577)
<b>Net current assets</b>		35,719	33,588
<b>Non-current liabilities</b>			
Lease liabilities	11	(8,355)	(9,244)
Deferred income tax liabilities	7	(3,274)	(2,679)
Provision for liabilities and charges	15	(974)	(969)
		(12,603)	(12,892)
<b>Total liabilities</b>		(26,871)	(28,469)
<b>Net assets</b>		69,916	68,732
<b>Equity</b>			
Share capital		723	720

	Note	31 January 2026 £000	31 January 2025 £000
Share premium account		18,682	18,682
Retained earnings		11,237	9,534
Other reserves		39,274	39,796
<b>Total equity</b>		<b>69,916</b>	68,732

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 January 2026

	Note	2026 £000	2025 £000
<b>Cash flows from operating activities</b>			
Profit/(loss) from operations		2,529	(14,351)
Intangible asset amortisation	9	987	806
Impairment of intangible assets	9	–	16,250
Property, plant and equipment depreciation and impairment	10	2,194	2,341
Right-of-use asset depreciation	11	2,439	2,392
Share-based payment charge		236	245
Defined benefit pension charge		660	554
Employer contributions to pension schemes		(1,010)	(4,369)
Decrease/(increase) in inventories		5,736	(495)
(Increase)/decrease in trade and other receivables		(362)	1,091
Increase in minimum guaranteed licensing receivables		(1,438)	(3,991)
Decrease in trade and other payables		(1,781)	(1,206)
(Decrease)/increase in provision for liabilities and charges		(606)	15
Tax paid		(1,188)	(1,340)
<b>Net cash from/(to) operating activities</b>		<b>8,396</b>	<b>(2,058)</b>
<b>Cash flows from investing activities</b>			
Finance income received	5	20	134
Purchase of intangible assets	9	(473)	(1,262)
Purchase of property, plant and equipment	10	(187)	(2,824)
<b>Net cash used in investing activities</b>		<b>(640)</b>	<b>(3,952)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	11	(2,186)	(1,854)
Capitalisation of lease acquisition costs		–	(355)
Interest paid	5	(64)	(30)
Dividends paid		(1,082)	(2,333)
<b>Net cash used in financing activities</b>		<b>(3,332)</b>	<b>(4,572)</b>
Net increase/(decrease) in cash and cash equivalents		4,424	(10,582)
Net foreign exchange movement		(430)	54
<b>Cash and cash equivalents at beginning of year</b>		<b>5,814</b>	<b>16,342</b>
<b>Cash and cash equivalents at end of year</b>		<b>9,808</b>	<b>5,814</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 January 2026

	Note	Attributable to owners of the parent				
		Share capital £000	Share premium account £000	Retained earnings £000	Other reserves £000	Total equity £000
<b>Balance at 1 February 2025</b>		<b>720</b>	<b>18,682</b>	<b>9,534</b>	<b>39,796</b>	<b>68,732</b>
Profit for the year		–	–	2,148	–	2,148
Other comprehensive income/(expense):						
Remeasurements of defined benefit pension schemes		–	–	454	–	454
Deferred tax charge relating to pension scheme assets	7	–	–	(238)	–	(238)
Corporation tax credit relating to pension scheme contributions	6	–	–	125	–	125
Investment-related defined benefit pension costs		–	–	(1)	–	(1)
Cash flow hedge		–	–	72	–	72
Currency translation differences		–	–	–	(522)	(522)
<b>Total comprehensive income/(loss):</b>		<b>–</b>	<b>–</b>	<b>2,560</b>	<b>(522)</b>	<b>2,038</b>
Transactions with owners, recognised directly in equity:						
Dividends		–	–	(1,082)	–	(1,082)
Issuance of share capital for share-based payment vesting		3	–	(3)	–	–
Share-based payment equity charge		–	–	213	–	213
Related tax movements on share-based payment		–	–	15	–	15
<b>Balance at 31 January 2026</b>		<b>723</b>	<b>18,682</b>	<b>11,237</b>	<b>39,274</b>	<b>69,916</b>
	Note	Attributable to owners of the parent				
		Share capital £000	Share premium account £000	Retained earnings £000	Other reserves £000	Total equity £000
<b>Balance at 1 February 2024</b>		<b>717</b>	<b>18,682</b>	<b>27,396</b>	<b>39,738</b>	<b>86,533</b>
Loss for the year		–	–	(15,236)	–	(15,236)
Other comprehensive income/(expense):						
Remeasurements of defined benefit pension schemes		–	–	(367)	–	(367)
Deferred tax charge relating to pension scheme assets	7	–	–	(801)	–	(801)
Corporation tax credit relating to pension scheme contributions	6	–	–	970	–	970
Investment-related defined benefit pension costs		–	–	(305)	–	(305)
Cash flow hedge		–	–	(45)	–	(45)
Currency translation differences		–	–	–	58	58
<b>Total comprehensive (loss)/income:</b>		<b>–</b>	<b>–</b>	<b>(15,784)</b>	<b>58</b>	<b>(15,726)</b>
Transactions with owners, recognised directly in equity:						

Dividends		–	–	(2,333)	–	(2,333)
Issuance of share capital for share-based payment vesting		3	–	(3)	–	–
Share-based payment equity charge		–	–	287	–	287
Related tax movements on share-based payment	7	–	–	(29)	–	(29)
<b>Balance at 31 January 2025</b>		720	18,682	9,534	39,796	68,732

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. Accounting policies and general information

#### General information

#### Basis of preparation

The financial information for the year ended 31 January 2026 and the year ended 31 January 2025 is derived from but does not comprise statutory financial statements within the meaning of section 435 of the Companies Act 2006. Statutory accounts for the year ended 31 January 2025 have been filed with the Registrar of Companies and those for the year ended 31 January 2026 will be filed following the Company's Annual General Meeting.

The auditors' reports on the accounts for the year ended 31 January 2026 and for the year ended 31 January 2025 were unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The consolidated financial statements have been prepared under the historical cost convention, except for those assets and liabilities measured at fair value, as described in the accounting policies. The accounting policies set out below have been consistently applied to all periods presented unless otherwise indicated.

#### Going concern

In the context of the continuing economic and political uncertainties, the Board of Sanderson Design Group PLC has undertaken an assessment of the ability of the Group and Company to continue in operation and meet its liabilities as they fall due over the period of its assessment. In doing so, the Board considered events throughout the period of their assessment from the date of signing of the report to 31 July 2027, including the availability and maturity profile of the Group's financing facilities and covenant compliance. These financial statements have been prepared on the going concern basis which the Directors consider appropriate for the reasons set out below.

The Group funds its operations through cash generated by the Group and has access to a £10.0m (2025: £10.0m) Revolving Credit Facility ('RCF') which is linked to two covenants. These covenants are tested quarterly at 30 April, 31 July, 31 October and 31 January each year until the facility matures on 31 January 2029. Throughout the financial year and up to the date of this report, the Company has met all required covenant tests and maintained available liquidity of over £5m. The total available liquidity of the Group at 31 January 2026 was £19.8m (2025: £15.8m), including cash and cash equivalents of £9.8m (2025: £5.8m) and the committed facility of £10.0m (2025: £10.0m). The Group has access to an uncommitted accordion facility of £7.5m (2025: £7.5m).

A Management Base Case ('MBC') model has been prepared, together with alternative stress tested scenarios, given the uncertainties regarding the impact of economic difficulties (including continuing inflationary pressures and high interest rates) and a lack of consumer confidence. These scenarios indicate that the Group retains adequate headroom against its borrowing facilities and bank covenants for the foreseeable future. The forecast cash flows have been further analysed to determine the breaking point, being the point at which the Group would either run out of cash or breach a covenant. The scenario required to get to this breaking point is considered highly unlikely and in addition the analysis did not include additional mitigations that are available to the Directors in such a scenario.

The actual results that will be reported will be undoubtedly different from the MBC and other scenarios modelled by the Group. If there are significant negative variations from the MBC, management will act decisively to protect the business, particularly its cash position.

In light of the above, the Directors consider that the Group and the Company have adequate resources to continue trading for the foreseeable future and will be able to continue operating as a going concern for a period of at least 15 months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### 2. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning future events. The resulting accounting estimates will seldom precisely equal the related actual results. The Group applies its best endeavours in setting accounting estimates, and uses historical experience and other factors, including input from experienced management and specialist third-parties, where required. Estimates and assumptions are periodically re-evaluated and the resulting accounting balances updated as new information, including actual outcomes, become apparent.

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### **a) Retirement benefit obligations**

The Group recognises its obligations to employee retirement benefits. The quantification of these obligations is subject to significant estimates and assumptions regarding life expectancy, discount and inflation rates, wage and salary changes, the rate of increase in pension payments, and the market values of equities, bonds and other pension assets. In making these assumptions the Group takes advice from a qualified actuary about which assumptions reflect the nature of the Group's obligations to employee retirement benefits. The assumptions are regularly reviewed to ensure their appropriateness.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Details of the estimates and assumptions applied, and carrying amounts of retirement benefit obligations and pension assets, are set out in the note to the consolidated financial statements.

#### **b) Impairment of non-financial assets**

The Group tests annually whether goodwill or its indefinite life intangible asset have suffered any impairment, in accordance with its accounting policy. Other intangibles and property, plant and equipment are also reviewed whenever impairment triggers are apparent. The recoverable amounts of cash-generating units have been determined based on value in use ('VIU') calculations. These calculations require use of estimates of future sales, margins, and other operating and administration expenses, and of discount rates.

In assessing whether an impairment of goodwill is required, the carrying value of the cash-generating unit ('CGU') or group of CGUs is compared with its recoverable amount. The recoverable amounts for each CGU, being a division of the business operated at a separate site, and collectively for groups of CGUs that make up the segments of the Group's business, have been based on the VIU. The Group estimates the VIU using a discounted cash flow model ('DCF'), where the projected cash flows for separate or collective groups of CGUs are discounted using a post-tax rate of 11.5% (2025: 12.00%). The discount rate used is the same across all segments.

The Group has used formally approved budgets for the first year of its VIU calculation, with the Group's approved strategic plan for future years with a 2% terminal growth rate applied.

The cash flows used in the calculation of the VIU are derived from experience and are based on operating profit forecasts, which in turn rely upon assumptions relating to sales growth, price increases, margins, and operating and administration expenses. The cash flows have not included the benefits arising from any future asset enhancement expenditure and therefore exclude significant benefits anticipated from future capital expenditure.

The Group makes provision for impairment in the carrying amount of its inventories. The nature of the Group's products is exposed to changes in taste and attitudes from time to time, which can affect the demand for those products. The Group has skilled and experienced management who utilise historical sales information, and exercise their judgement, in making estimates about the extent of provisions necessary based on the realisable value of inventory and expected future benefit to the Group of marketing materials considering the estimated price and volume of future sales or usage, less the further costs of sale and holding costs.

#### **c) Absorption of overhead into inventory**

The Group determines the basis of allocation of fixed production overhead based on the actual performance of the manufacturing components of the Group and arms-length sales prices when actual performance is considered to approximate normal capacity. Where actual performance in the year is not considered to represent normal levels, the Group uses the next year's budgeted results to ensure operating inefficiencies are not included in the carrying value of inventory.

### **3. Segmental analysis**

The Group is a designer, manufacturer and distributor of luxury interior furnishings, fabrics and wallpaper. The reportable segments of the Group are aggregated as follows:

**Brands** – comprising the design, marketing, sales and distribution of Morris & Co., Sanderson, Zoffany, Clarke & Clarke, Harlequin and Scion brands.

**Licensing** – comprising the licensing activities of Morris & Co., Sanderson, Zoffany, Clarke & Clarke, Harlequin and Scion brands.

**Manufacturing** – comprising the wallcovering and printed fabric manufacturing businesses operated by Anstey and Standfast & Barracks respectively.

This is the basis on which the Group presents its operating results to the Board of Directors, which is the CODM for the purposes of IFRS 8. Other Group-wide activities and expenses, predominantly related to corporate head office costs, defined benefit pension costs, long-term incentive plan expenses, stock consolidation adjustments in Brands and eliminations of inter-segment items, are presented within 'unallocated'. The segmental Income Statement disclosures are measured in accordance with the Group's accounting policies. Inter-segment revenue earned by Manufacturing from sales to Brands is determined on normal commercial trading terms as if Brands were any other third-party customer. Tax charges are not allocated or reviewed by segment, and therefore are not included in the segmental Income Statement disclosures.

**a) Principal measures of profit and loss – Income Statement segmental information**

<b>Year ended 31 January 2026</b>	<b>Brands £000</b>	<b>Licensing £000</b>	<b>Manufacturing £000</b>	<b>Unallocated £000</b>	<b>Total £000</b>
UK revenue	29,905	3,967	11,022	–	44,894
International revenue	40,099	6,531	7,957	–	54,587
Revenue – external	70,004	10,498	18,979	–	99,481
Revenue – internal	–	–	10,750	(10,750)	–
<b>Total revenue</b>	<b>70,004</b>	<b>10,498</b>	<b>29,729</b>	<b>(10,750)</b>	<b>99,481</b>
Cost of sales	(22,540)	–	(19,445)	11,219	(30,766)
<b>Gross profit</b>	<b>47,464</b>	<b>10,498</b>	<b>10,284</b>	<b>469</b>	<b>68,715</b>
Distribution and selling expenses	(23,329)	(117)	(922)	–	(24,368)
Administration expenses	(28,670)	(1,068)	(9,582)	(5,492)	(44,812)
Impairment of non-financial assets	–	–	–	–	–
Other operating income	2,958	–	35	1	2,994
Net finance (expense)/income	(741)	1,259	–	83	601
<b>Profit/(loss) before tax*</b>	<b>(2,318)</b>	<b>10,572</b>	<b>(185)</b>	<b>(4,939)</b>	<b>3,130</b>
Management recharge	(381)	–	–	381	–
<b>Profit/(loss) before tax</b>	<b>(2,699)</b>	<b>10,572</b>	<b>(185)</b>	<b>(4,558)</b>	<b>3,130</b>
Non-underlying and adjusting items	947	–	237	1,025	2,209
<b>Adjusted underlying profit before tax*</b>	<b>(1,371)</b>	<b>10,572</b>	<b>52</b>	<b>(3,914)</b>	<b>5,339</b>

<b>Year ended 31 January 2025</b>	<b>Brands £000</b>	<b>Licensing £000</b>	<b>Manufacturing £000</b>	<b>Unallocated £000</b>	<b>Total £000</b>
UK revenue	32,756	4,275	10,539	–	47,570
International revenue	38,554	6,758	7,506	–	52,818
Revenue – external	71,310	11,033	18,045	–	100,388
Revenue – internal	–	–	13,605	(13,605)	–
<b>Total revenue</b>	<b>71,310</b>	<b>11,033</b>	<b>31,650</b>	<b>(13,605)</b>	<b>100,388</b>
Cost of sales	(22,919)	–	(22,859)	13,832	(31,946)
<b>Gross profit</b>	<b>48,391</b>	<b>11,033</b>	<b>8,791</b>	<b>227</b>	<b>68,442</b>
Distribution and selling expenses	(23,895)	(80)	(1,905)	185	(25,695)

Administration expenses	(29,166)	(1,218)	(10,181)	(4,293)	(44,858)
Impairment of non-financial assets	–	–	–	(16,250)	(16,250)
Other operating income	3,967		39	4	4,010
Net finance (expense)/income	(535)	859	(11)	158	471
<b>(Loss)/profit before tax*</b>	<b>(1,238)</b>	<b>10,594</b>	<b>(3,267)</b>	<b>(19,969)</b>	<b>(13,880)</b>
Management recharge	2,010	–	–	(2,010)	–
<b>Profit/(loss) before tax</b>	<b>772</b>	<b>10,594</b>	<b>(3,267)</b>	<b>(21,979)</b>	<b>(13,880)</b>
Non-underlying and adjusting items	301	–	688	17,261	18,250
<b>Adjusted underlying profit before tax*</b>	<b>(937)</b>	<b>10,594</b>	<b>(2,579)</b>	<b>(2,708)</b>	<b>4,370</b>

\* Excluding management recharge.

#### b) Additional segmental revenue information

	<b>2026 £000</b>	2025 £000
Brands revenue by geography		
United Kingdom	<b>29,905</b>	32,756
North America	<b>22,284</b>	20,957
Northern Europe	<b>9,410</b>	9,146
Rest of the World	<b>8,405</b>	8,451
	<b>70,004</b>	71,310

	<b>2026 £000</b>	2025 £000
Brands revenue by brand		
Morris & Co.	<b>18,500</b>	17,961
Clarke & Clarke	<b>18,286</b>	19,746
Sanderson	<b>13,673</b>	13,482
Harlequin	<b>12,090</b>	12,240
Zoffany	<b>6,686</b>	6,731
Scion	<b>718</b>	1,083
Other brands	<b>51</b>	67
	<b>70,004</b>	71,310

	<b>2026 £000</b>	2025 £000
Manufacturing revenue by division (including internal revenue)		
Standfast & Barracks	<b>16,457</b>	16,843
Anstey	<b>13,272</b>	14,807
	<b>29,729</b>	31,650

#### 4. Other operating income

Other operating income of £2,994,000 (2025: £4,010,000) comprises consideration received from the sale of marketing materials to support the Group's core products.

#### 5. Net finance income

	2026 £000	2025 £000
<b>Interest income:</b>		
Interest received on bank deposits	20	134
Unwind of discount on minimum guaranteed licensing income	1,259	859
Total interest received	1,279	993
Net pension interest income	147	64
Total finance income	1,426	1,057
<b>Interest expense:</b>		
Bank facility fees	(18)	(18)
Interest paid	(64)	(30)
Lease interest	(743)	(538)
Total finance costs	(825)	(586)
<b>Net finance income</b>	<b>601</b>	<b>471</b>

#### 6. Tax expense

	2026 £000	2025 £000
Current tax:		
– UK current tax	493	970
– UK adjustments in respect of prior years	(16)	280
– Overseas current tax	225	1
– Overseas adjustments in respect of prior years	(75)	–
Current tax	627	1,251
Deferred tax:		
– Current year	276	429
– Adjustments in respect of prior years	79	(324)
Deferred tax	355	105
Total tax charge for the year	982	1,356

	2026 £000	2025 £000
Reconciliation of total tax charge for the year:		
Profit/(loss) on ordinary activities before tax	3,130	(13,880)
Tax on profit/(loss) on ordinary activities at 25% (2025: 25%)	783	(3,470)
Intangible assets impairment	–	4,063
Fixed asset differences	107	48
Non-deductible expenditure	57	22

Share-based payment	<b>38</b>	117
Adjustments in respect of prior years – current tax	<b>(91)</b>	280
Adjustments in respect of prior years – deferred tax	<b>79</b>	(324)
Deferred tax not recognised on losses	<b>–</b>	604
Effect of changes in corporation tax rates, including overseas	<b>9</b>	16
Total tax charge for the year	<b>982</b>	1,356

A current tax credit of £125,000 has been recognised in Other Comprehensive Income (2025: £970,000) in relation to defined benefit pension contributions made during the year.

## 7. Deferred income tax

	<b>2026 £000</b>	2025 £000
Deferred tax (liabilities)/assets:		
Property, plant and equipment	<b>(1,956)</b>	(2,019)
Intangible assets	<b>(741)</b>	(810)
Right-of-use assets	<b>(447)</b>	(435)
Lease liabilities	<b>505</b>	493
Share-based payment	<b>100</b>	94
Retirement benefit obligations	<b>(815)</b>	(578)
Unutilised tax losses	<b>–</b>	459
Other short-term differences	<b>80</b>	117
	<b>(3,274)</b>	(2,679)

A deferred tax charge of £238,000 (2025: £801,000) arising on retirement benefit obligations has been recognised within the Statement of Other Comprehensive Income.

At 31 January 2026, the Group had gross unused UK tax losses of £2,418,000 (2025: £3,984,000) available for offset against future profits for which a deferred tax asset has not been recognised (2025: deferred tax asset of £1,566,000 was recognised). The Group also had unutilised capital tax losses of £4,881,000 (2025: £4,881,000) for which no deferred tax asset has been recognised. The deferred tax asset on losses has been recognised to the extent that it is probable that the losses will be used within the foreseeable future.

	<b>2026 £000</b>	2025 £000
Deferred tax liability movement		
At 1 February	<b>(2,679)</b>	(1,747)
Currency differences	<b>(2)</b>	3
Income statement charge	<b>(355)</b>	(105)
Tax charge relating to components of other comprehensive income	<b>(238)</b>	(801)
Tax charged directly to equity	<b>–</b>	(29)
At 31 January	<b>(3,274)</b>	(2,679)

## 8. Earnings per share

### 8. (a) Earnings per share

Basic earnings per share ('EPS') is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares outstanding during the year, excluding those held in the Employee Benefit Trust ('EBT') and those held in treasury, which are treated as cancelled. The adjusted basic earnings per share is calculated by dividing the adjusted earnings by the weighted average number of shares.

	2026			2025		
	Earnings £000	Weighted average number of shares (000s)	Per share amount Pence	Earnings £000	Weighted average number of shares (000s)	Per share amount Pence
<b>Basic earnings/(loss) per share</b>	<b>2,148</b>	<b>72,114</b>	<b>2.98</b>	(15,236)	71,804	(21.22)
<b>Effect of dilutive securities:</b>						
Shares under share-based payment		<b>2,800</b>			1,675	
<b>Diluted earnings/(loss) per share*</b>	<b>2,148</b>	<b>74,914</b>	<b>2.87</b>	(15,236)	73,479	(21.22)
<b>Adjusted underlying basic and diluted earnings per share:</b>						
Add back share-based payment charge (including National Insurance)	<b>236</b>			245		
Add back defined benefit pension charge	<b>513</b>			490		
Add back non-underlying items (see below)	<b>1,460</b>			17,515		
Tax effect of non-underlying items and other add backs	<b>(470)</b>			(200)		
<b>Adjusted underlying basic earnings per share</b>	<b>3,887</b>	<b>72,114</b>	<b>5.39</b>	2,814	71,804	3.92
<b>Adjusted underlying diluted earnings per share</b>	<b>3,887</b>	<b>74,914</b>	<b>5.19</b>	2,814	73,479	3.83

\* As the result for 2025 is a basic loss per share, diluted loss per share is equal to basic loss per share.

Post year end, the Group has provided funds totalling £1,400,000 to the EBT for the purchase of shares to satisfy the future vesting of share schemes, as set out in our capital allocation policy. As at 23 April 2026, 1,513,683 shares had been purchased using these funds at a total cost of £855,000.

### 8. (b) Adjusted underlying profit before tax

The Group uses an Alternative Performance Measure, 'adjusted underlying profit before tax'. This is defined as statutory profit before tax adjusted for the exclusion of share-based incentives, defined benefit pension charge and non-underlying items. This is recognised by the investment community as an appropriate measure of performance for the Group and is used by the Board of Directors as a key performance measure. The table below reconciles statutory profit before tax to adjusted underlying profit before tax.

	2026 £000	2025 £000
<b>Statutory profit/(loss) before tax</b>	<b>3,130</b>	(13,880)
Amortisation of acquired intangible assets	<b>276</b>	276
Impairment of intangible assets	<b>–</b>	16,250
Commercial rent tax*	<b>497</b>	–
Restructuring and reorganisation costs**	<b>687</b>	989
<b>Total non-underlying charge included in statutory profit before tax</b>	<b>1,460</b>	17,515
<b>Underlying profit before tax</b>	<b>4,590</b>	3,635
Share-based payment charge	<b>236</b>	245
Defined benefit pension charge	<b>513</b>	490
<b>Adjusted underlying profit before tax</b>	<b>5,339</b>	4,370

\* The Group recognised an exceptional charge of £497,000 (2025: £nil) in relation to the settlement of historical commercial rent tax obligations in New York. This amount reflects the agreed settlement of legacy liabilities relating to prior periods. The charge has been presented as an exceptional item due to its non-recurring nature and its association with a historic matter. No further material exposure is expected in respect of this item as the ongoing liability for future periods is trivial. While the settlement relates to commercial rent tax obligations for prior periods, the amount recognised in the current year reflects new information obtained during the period and the final agreement reached with the relevant authorities.

\*\* Restructuring and reorganisation costs of £687,000 (2025: £989,000). These relate to the reorganisation of the Anstey and Standfast manufacturing sites (£237,000) (2025: £688,000), in addition to the rationalisation of certain operational and support functions in the Brands segment (£450,000) (2025: £301,000).

## 9. Intangible assets

	Goodwill £000 <sup>1</sup>	Arthur Sanderson and William Morris Archive £000 <sup>2</sup>	Collection design £000	Brand £000	Customer- related intangibles £000	Software £000	Assets under construction £000	Total £000
<b>Cost</b>								
31 January 2024	17,091	4,300	2,791	5,566	4,427	2,596	983	37,754
Additions	–	–	590	–	–	301	371	1,262
Transfer	–	–	–	–	–	1,354	(1,354)	–
Disposals	–	–	(145)	–	–	–	–	(145)
31 January 2025	17,091	4,300	3,236	5,566	4,427	4,251	–	38,871
Additions	–	–	379	–	–	94	–	473
Disposals	–	–	(234)	–	–	–	–	(234)
<b>31 January 2026</b>	<b>17,091</b>	<b>4,300</b>	<b>3,381</b>	<b>5,566</b>	<b>4,427</b>	<b>4,345</b>	<b>–</b>	<b>39,110</b>
<b>Accumulated amortisation</b>								
31 January 2024	841	–	1,255	2,048	4,427	2,488	–	11,059
Charge	–	–	433	276	–	97	–	806
Impairment	16,250	–	–	–	–	–	–	16,250
Disposals	–	–	(145)	–	–	–	–	(145)
31 January 2025	17,091	–	1,543	2,324	4,427	2,585	–	27,970
Charge	–	–	467	276	–	244	–	987
Disposals	–	–	(234)	–	–	–	–	(234)
<b>31 January 2026</b>	<b>17,091</b>	<b>–</b>	<b>1,776</b>	<b>2,600</b>	<b>4,427</b>	<b>2,829</b>	<b>–</b>	<b>28,723</b>
<b>Net book amount</b>								
<b>31 January 2026</b>	<b>–</b>	<b>4,300</b>	<b>1,605</b>	<b>2,966</b>	<b>–</b>	<b>1,516</b>	<b>–</b>	<b>10,387</b>
31 January 2025	–	4,300	1,693	3,242	–	1,666	–	10,901
31 January 2024	16,250	4,300	1,536	3,518	–	108	983	26,695

### Impairment tests for goodwill and Arthur Sanderson and William Morris Archive

The total carrying value of goodwill at year end of £nil (2025: £nil) is attributable to the Brands segment.

The carrying value of the Arthur Sanderson and William Morris Archive at the year end of £4,300,000 (2025: £4,300,000) is attributable to the Brands segment. The archive was independently valued during the previous

year ended 31 January 2025 at £9,980,000 and therefore the carrying value of this asset is supported by the external valuation.

The Group does not consider it reasonably possible that changes to the key assumptions will arise that would result in impairment of either goodwill or the Arthur Sanderson and William Morris Archive as at 31 January 2026. As explained in the critical accounting estimates and judgements section, the key assumptions in the impairment review are a post-tax discount rate of 11.5% (2025: 12.00%) and a long-term growth rate of 2% (2025: 2%). A 2.9% sensitivity increase in the discount rate would lead to a potential impairment in one of the CGUs. The financial impact of climate change and the 'Live Beautiful' strategy is not anticipated to be material within the time frame of the forecasts used for impairment reviews and as such is not included. This will be kept under review as the strategy progresses.

## 10. Property, plant and equipment

	Freehold land and buildings £000	Leasehold improvements £000	Plant, equipment and vehicles £000	Computer hardware £000	Assets under construction £000	Total £000
<b>Cost</b>						
31 January 2024	6,115	515	33,270	1,122	1,019	42,041
Additions	44	1,087	1,230	241	222	2,824
Disposals	(167)	(400)	(3,422)	(7)	–	(3,996)
Transfers	619	606	16	–	(1,241)	–
Currency movements	(6)	–	37	1	–	32
31 January 2025	6,605	1,808	31,131	1,357	–	40,901
Additions	–	36	55	36	60	187
Disposals	–	–	(1,942)	(42)	–	(1,984)
Currency movements	–	–	(70)	(6)	–	(76)
<b>31 January 2026</b>	<b>6,605</b>	<b>1,844</b>	<b>29,174</b>	<b>1,345</b>	<b>60</b>	<b>39,028</b>
<b>Accumulated depreciation and impairment</b>						
31 January 2024	2,423	515	25,666	993	–	29,597
Charge	205	106	1,942	88	–	2,341
Disposals	(167)	(400)	(3,422)	(7)	–	(3,996)
Currency movements	(3)	–	23	1	–	21
31 January 2025	2,458	221	24,209	1,075	–	27,963
Charge	185	173	1,751	85	–	2,194
Disposals	–	–	(1,942)	(42)	–	(1,984)
Currency movements	–	–	(21)	(5)	–	(26)
<b>31 January 2026</b>	<b>2,643</b>	<b>394</b>	<b>23,997</b>	<b>1,113</b>	<b>–</b>	<b>28,147</b>
<b>Net book amount</b>						
<b>31 January 2026</b>	<b>3,962</b>	<b>1,450</b>	<b>5,177</b>	<b>232</b>	<b>60</b>	<b>10,881</b>
31 January 2025	4,147	1,587	6,922	282	–	12,938
31 January 2024	3,692	–	7,604	129	1,019	12,444

## 11. Right-of-use assets and lease liabilities

### As a lessee

Information about leases for which the Group is a lessee is presented below:

#### Right-of-use assets

	Leasehold properties £000	Vehicles £000	Plant and equipment £000	Total £000
<b>Cost</b>				
31 January 2024	14,769	910	933	16,612
Additions	8,005	159	–	8,164
Disposals	(9,625)	(350)	(94)	(10,069)
Currency movements	88	–	1	89
31 January 2025	13,237	719	840	14,796
Additions	–	507	579	1,086
Modification	681	–	–	681
Disposals	(68)	(529)	(467)	(1,064)
Currency movements	(272)	–	(6)	(278)
<b>31 January 2026</b>	<b>13,578</b>	<b>697</b>	<b>946</b>	<b>15,221</b>
<b>Accumulated depreciation and impairment</b>				
31 January 2024	10,277	592	757	11,626
Charge	2,032	222	138	2,392
Disposals	(9,446)	(340)	(78)	(9,864)
Currency movements	53	–	1	54
31 January 2025	2,916	474	818	4,208
Charge	2,119	176	144	2,439
Disposals	(68)	(476)	(467)	(1,011)
Currency movements	(122)	–	(12)	(134)
<b>31 January 2026</b>	<b>4,845</b>	<b>174</b>	<b>483</b>	<b>5,502</b>
<b>Net book amount</b>				
<b>31 January 2026</b>	<b>8,733</b>	<b>523</b>	<b>463</b>	<b>9,719</b>
31 January 2025	10,321	245	22	10,588
31 January 2024	4,492	318	176	4,986

## Lease liabilities

	Leasehold properties £000	Vehicles £000	Plant and equipment £000	Total £000
<b>Balance</b>				
31 January 2024	4,672	278	196	5,146
Additions	7,383	159	–	7,542
Disposals	(176)	–	(15)	(191)
Amounts paid	(1,457)	(238)	(159)	(1,854)
Effect of discounting	519	10	9	538
Currency movements	50	–	1	51
31 January 2025	10,991	209	32	11,232
Additions	–	<b>507</b>	<b>579</b>	<b>1,086</b>
Modification	<b>681</b>	–	–	<b>681</b>
Disposals	–	<b>(52)</b>	–	<b>(52)</b>
Amounts paid	<b>(1,837)</b>	<b>(210)</b>	<b>(139)</b>	<b>(2,186)</b>
Effect of discounting	<b>656</b>	<b>49</b>	<b>38</b>	<b>743</b>
Currency movements	<b>(170)</b>	–	<b>(2)</b>	<b>(172)</b>
<b>31 January 2026</b>	<b>10,321</b>	<b>503</b>	<b>508</b>	<b>11,332</b>

## Maturity analysis – contractual lease liabilities

	<b>2026 £000</b>	2025 £000
Current	<b>2,977</b>	1,988
Non-current	<b>8,355</b>	9,244
<b>Total lease liabilities</b>	<b>11,332</b>	11,232

## 12. Inventories

	<b>2026 £000</b>	2025 £000
Raw materials	<b>3,158</b>	4,588
Work in progress	<b>1,409</b>	1,298
Finished goods	<b>16,283</b>	20,316
Marketing materials	<b>615</b>	999
	<b>21,465</b>	27,201

### 13. Trade and other receivables

	2026 £000	2025 £000
Current		
Trade receivables	12,182	11,590
Less: provision for impairment of trade receivables	(565)	(801)
Net trade receivables	11,617	10,789
Other receivables	73	83
Prepayments and accrued income	1,443	2,028
	13,133	12,900

### 14. Trade and other payables

	2026 £000	2025 £000
Trade payables	5,041	8,465
Other taxes and social security	662	901
Other payables	325	278
Accruals	5,010	3,193
	11,038	12,837

### 15. Provision for liabilities and charges

	Property £000	Other £000	Total £000
31 January 2024	944	493	1,437
Charged	250	989	1,239
Utilised	(200)	(774)	(974)
31 January 2025	994	708	1,702
Charged	–	687	687
Utilised	(20)	(1,273)	(1,293)
<b>31 January 2026</b>	<b>974</b>	<b>122</b>	<b>1,096</b>

	2026 £000	2025 £000
Current	122	733
Non-current	974	969
<b>Total</b>	<b>1,096</b>	<b>1,702</b>

#### Property

Property-related provisions consist of estimated rectification costs arising from wear and tear that will fall due on exiting property leases.

#### Other provisions

Other provisions include restructuring provisions and employee termination payments and are recognised when a detailed, formal plan has been established and communicated to those parties directly affected by the plan.